



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

10/703,975

11/07/2003

Serkan Savasoglu

030588

2835

26285

7590

06/09/2009

K&L GATES LLP
535 SMITHFIELD STREET
PITTSBURGH, PA 15222

EXAMINER

VIZVARY, GERALD C

ART UNIT

PAPER NUMBER

3696

MAIL DATE

DELIVERY MODE

06/09/2009

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/703,975	Applicant(s) SAVASOGLU ET AL.	
	Examiner GERALD C. VIZVARY	Art Unit 3696	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 3/16/2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 16-29,31 and 32 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 16-29,31 and 32 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

1. In the amendment filed 3/16/2009, the following has occurred: claims 16 & 17 have been amended. Now, claims 16-29, 31 & 32 are presented for examination.

2. Upon review, examiner has determined that the invention disclosed in Jones 2005/0033674 is supported by the provisional application (Application No. 60/492,558 filed on August 3, 2003) to which Farr claims priority. Accordingly, the disclosure of Farr antedates applicant's claimed invention.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 16-29, 31 & 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A.

As per claim 16 (Currently Amended) Tull, Jr, US 5,946,667 discloses a financial method comprising the steps of:

Art Unit: 3696

computer system communicates electronic data representing the maturity term, the reset component, and the remarketing component to one or more investors over a computer network (Tull, Jr, US 5,946,667 col. 3, lines 55-62) and (“Upon maturity, the OPALS is redeemable to the investors, or may be rolled over into a new debt instrument, designed to track the same or a different capital market.” Tull, Jr, US 5,946,667 col. 4, lines 16-19)

issuing a straight, nonconvertible debt security ~~to~~, the straight debt security including a maturity component providing a maturity term of the straight debt security, a reset component specifying terms and conditions for resetting a yield of the straight debt security, and a remarketing component providing terms and conditions for remarketing the straight debt security to new investors on one or more remarketing dates (“Upon maturity, the OPALS is redeemable to the investors, or may be rolled over into a new debt instrument, designed to track the same or a different capital market. The period of time for which such OPALS are issued is between about one and ten years, preferably between one and five years, and may vary with the selected capital market or the prevailing economic conditions.” Tull, Jr, US 5,946,667 col. 4, lines 16-22);

Tull, Jr, US 5,946,667 fails to explicitly teach redeeming the straight debt security from a holder thereof and offering a straight, nonconvertible debt security to one or more new investors and, after remarketing, the remarketed straight debt security remains outstanding and potential recapture of excess tax benefits is postponed until the time the remarketed straight debt security ceases to be outstanding.

Art Unit: 3696

Ross US 2003/009406 A1 teaches "Each holder may agree, for U.S. federal income tax purposes, to treat the notes as "contingent payment debt instruments" and to be bound by Issuer's application of the Treasury regulations that govern contingent payment debt instruments, including Issuer's determination that the rate at which interest may be deemed to accrue for federal income tax purposes may be 7.51%, compounded semi-annually, which may be the rate comparable to the rate at which Issuer may borrow on a noncontingent, nonconvertible borrowing with terms and conditions otherwise comparable to the notes (including the rank, term, and general market conditions)."

Ross US 2003/0009406 A1 ¶ [0035])

Jones 2005/0033674 A1 teaches "Conducting a transaction is provided. In some embodiments, a unit is issued to a holder including a forward contract and a note, in which the note specifies an initial capped remarketing, at least a first subsequent capped remarketing, and an uncapped remarketing, the uncapped remarketing performed only if each of the capped remarketings fail." (Jones 2005/0033674 A1 abstract)

It would have been obvious to one of ordinary skill in the art at the time of the invention to include the nonconvertible debt security and tax benefit recapture features as taught by Ross US 2003/009406 A1 and the remarketing of debt securities of Jones 2005/0033674 A in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per claim 17 (Currently Amended) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 further discloses comprising calculating, by the computer system, projected contingent payments. ("The method of claim 37 further comprising the steps of: calculating the return on the financial investment made by the purchaser of the issued debt instrument; and periodically communicating the calculated return to the purchaser." Tull, Jr, US 5,946,667 claim 39)

As per claim 18 (Original) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 17.

Tull, Jr, US 5,946,667 fails to explicitly teach that the projected contingent payments are calculated based on one or more of forward rates and/or expected values of the contingent payments.

Ross US 2003/009406 A1 teaches "If the Adjustment is not made because the adjustment does not change the Accreted Conversion Price by more than 1%, then the adjustment that is not made may be carried forward and taken into account in any future adjustment." Ross US 2003/0009406 A1 ¶ [0125])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include the nonconvertible debt security and tax benefit recapture features as taught by Ross US 2003/009406 A1 and the remarketing of debt securities of Jones 2005/0033674 A in the system of Tull, Jr, US 5,946,667, since the claimed invention is

Art Unit: 3696

merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per claim 19 (Original) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 18.

Tull, Jr, US 5,946,667 fails to explicitly teach that a comparable yield is determined by referencing a yield of a fixed-rate debt instrument with terms and conditions similar to terms and conditions of the straight debt security.

Ross US 2003/009406 A1 teaches "In one embodiment a method for conducting a transaction is provided, comprising: setting an initial yield for an obligation issued by an issuer, wherein the initial yield is applied to the obligation for an initial time period; setting a current yield for the obligation, wherein the current yield is applied to the obligation after the initial time period has elapsed, and wherein the current yield is set equal to one of a first reset yield and a second reset yield, depending upon a value of a share of a stock in relation to an accreted conversion price of the obligation; and permitting conversion of the obligation into the stock according to a conversion formula."

Ross US 2003/009406 A1 ¶ [0006])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include determining a yield by using comparable proxy securities as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely

Art Unit: 3696

would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per claim 20 (Previously Presented) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 fails to explicitly teach adjusting, at the remarketing time, a yield of the remarketed straight debt security for a period of three months after the remarketing time, to a benchmark interest rate in effect at least three months earlier than the remarketing time.

Ross US 2003/009406 A1 teaches "Issuer may provide to each holder of Registrable Securities copies of the prospectus that is a part of the shelf registration statement, notify each holder when the shelf registration statement has become effective and take certain other actions required to permit public resales of the Registrable Securities. Issuer may suspend the availability of the shelf registration statement and any prospectus for a period not to exceed 45 days in any three-month period or 120 days in any twelve-month period, such period being, referred to as a "Deferral Period"." Ross US 2003/009406 A1 ¶ [0239])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include determining a yield by using comparable proxy securities as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely

Art Unit: 3696

would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per claim 21 (Original) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 17.

Tull, Jr, US 5,946,667 fails to explicitly teach making adjustments based on a comparison of projected contingent payments to actual contingent payments.

Ross US 2003/009406 A1 teaches "For the purposes of this application, a "test window" shall mean a desired number of days over which a test or comparison is performed. Beginning on May 15, 2004, if the closing sales price of the common stock of Support Company is equal to or less than 60% of the Accreted Conversion Price of the notes for any x number of trading days (e.g., 20 trading days) out of the last y number of consecutive trading days (e.g., 30 trading days) ending three business days prior to such date or three business days prior to any May 15 or November 15 thereafter, then the accretion rate on the notes for the semi-annual period commencing on such date may be subject to an increased accretion rate equal to the applicable per annum Reset Rate in effect at that time." (Ross US 2003/009406 A1 ¶ [0039])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include making adjustments based on a comparison of projected contingent payments to actual contingent payments as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the

Art Unit: 3696

same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per claim 22 (Original) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 21.

Tull, Jr, US 5,946,667 fails to explicitly teach that if the actual contingent payments exceed the projected contingent payments, a positive adjustment is made.

Ross US 2003/009406 A1 teaches "Further, the adjusted interest rate may have high value and/or low value caps. Further still, there may be multiple adjusted interest rates for multiple stock price thresholds (wherein the adjusted interest rate may move up and/or down). Further still, there may be a formula or "sliding scale" for setting (e.g., up or down) the adjusted interest rate (e.g., one or both of the first reset accretion rate and the second reset accretion rate) for one or more stock price thresholds (such a "sliding scale" may comprise setting the adjusted interest rate to one or more values depending upon the stock price and the sliding scale may be fixed at the time of the issuance of the obligation and/or the sliding scale may be fixed after the issuance of the obligation and/or the sliding scale may vary over time" Ross US 2003/009406 A1 ¶ [0028])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include making a positive adjustment if the actual contingent payments exceed the projected contingent payments as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same

Art Unit: 3696

function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 23 (Original) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 21.

Tull, Jr, US 5,946,667 fails to explicitly teach that if the actual contingent payments are less than the projected contingent payments, a negative adjustment is made.

Ross US 2003/009406 A1 teaches "Further, the adjusted interest rate may have high value and/or low value caps. Further still, there may be multiple adjusted interest rates for multiple stock price thresholds (wherein the adjusted interest rate may move up and/or down). Further still, there may be a formula or "sliding scale" for setting (e.g., up or down) the adjusted interest rate (e.g., one or both of the first reset accretion rate and the second reset accretion rate) for one or more stock price thresholds (such a "sliding scale" may comprise setting the adjusted interest rate to one or more values depending upon the stock price and the sliding scale may be fixed at the time of the issuance of the obligation and/or the sliding scale may be fixed after the issuance of the obligation and/or the sliding scale may vary over time" Ross US 2003/009406 A1 ¶ [0028])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include making a negative adjustment if the actual contingent payments are less than the projected contingent payments as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the

Art Unit: 3696

same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 24 (Previously Presented) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 fails to explicitly teach that the remarketed straight debt security is a one-year straight debt security.

Ross US 2003/009406 A1 teaches “The hypothetical issue of the debt security may be a hypothetical issue of a senior, nonconvertible, noncontingent, fixed rate debt security. The predetermined maturity may equal a predetermined number of years between 1 and 20.” Ross US 2003/009406 A1 ¶ [0016])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include a one-year straight debt security as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 25 (Previously Presented) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Art Unit: 3696

Tull, Jr, US 5,946,667 fails to explicitly teach that the remarketed straight debt security has a term of five or more years.

Ross US 2003/009406 A1 teaches "The hypothetical issue of the debt security may be a hypothetical issue of a senior, nonconvertible, noncontingent, fixed rate debt security. The predetermined maturity may equal a predetermined number of years between 1 and 20. The terms of the hypothetical issue of the debt security may further include other provisions that are, insofar as commercially practicable for an issue of a senior, nonconvertible, fixed-rate debt security, substantially identical to those of the obligation."

Ross US 2003/009406 A1 ¶ [0016])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include a straight debt security having a term of five or more years as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 26 (Previously Presented) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 fails to explicitly teach that the remarketed straight debt security has current coupon payments.

Art Unit: 3696

Ross US 2003/009406 A1 teaches "One embodiment of the present invention may be used in the context of a pure zero-coupon security (e.g., a bond), wherein the pure zero-coupon security may pay a yield based on the price of a tracked stock. For the purposes of the present application, the "yield" associated with the pure zero-coupon security may be an "accretion rate" Ross US 2003/009406 A1 ¶ [0024])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include a remarketed straight debt security having current coupon payments as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 27 (Previously Presented) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 fails to explicitly teach that the remarketed straight debt security has no current coupon payments.

Ross US 2003/009406 A1 teaches "One embodiment of the present invention may be used in the context of a pure zero-coupon security (e.g., a bond), wherein the pure zero-coupon security may pay a yield based on the price of a tracked stock. For the purposes

Art Unit: 3696

of the present application, the "yield" associated with the pure zero-coupon security may be an "accretion rate" Ross US 2003/009406 A1 ¶ [0024])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include remarketed straight debt security having no current coupon payments as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 28 (Original) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 fails to explicitly teach that the straight debt security is remarketed annually.

Ross US 2003/009406 A1 teaches "Nov. 15, 2009, in which case the Reset Rate will be the One-Year Reset Rate" Ross US 2003/009406 A1 ¶ [0043])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include a straight debt security remarketed annually as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

Art Unit: 3696

As per claim 29 (Previously Presented) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 fails to explicitly teach that the remarketing time comprises remarketing dates at least every five years.

Ross US 2003/009406 A1 teaches “May 15, 2006, in which case the Reset Rate will be the Five-Year Reset Rate;” Ross US 2003/009406 A1 ¶ [0041])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include a remarketing time comprising remarketing dates at least every five years as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 31 (Previously Presented) Tull, Jr, US 5,946,667 in view of Ross US 2003/009406 A1 further in view of Jones 2005/0033674 A teaches a method of claim 16.

Tull, Jr, US 5,946,667 fails to explicitly teach that the straight debt security is treated as contingent payment debt instrument because of the reset component.

Art Unit: 3696

Ross US 2003/009406 A1 teaches "In another embodiment a method for conducting a transaction is provided, comprising: setting at least one of an issue price, a maturity date, and a nominal maturity value for an obligation issued by an issuer; setting an initial yield for the obligation, wherein the initial yield is applied to the obligation for an initial time period; setting a current yield for the obligation, wherein the current yield is applied to the obligation after the initial time period has elapsed, and wherein the current yield is set equal to one of a first reset yield and a second reset yield, depending upon a value of a share of a stock in relation to an accreted conversion price of the obligation; and permitting conversion of the obligation into the stock according to a conversion formula."

Ross US 2003/009406 A1 ¶ [0007])

It would have been obvious to one of ordinary skill in the art at the time of the invention to include treating a straight debt security as contingent payment debt instrument because of the reset component as taught by Ross US 2003/009406 A1 in the system of Tull, Jr, US 5,946,667, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable

As per claim 32 (New), Examiner notes that the recitation "the periodic intervals are annual." has not been given patentable weight because the intended use is not functionally related to the method steps. Thus, this nonfunctional descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see

Art Unit: 3696

In re Gulack, 703 F. 2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F. 3d 1579, 32 USPQ 2d 1031 (Fed. Cir. 1994).

Response to Arguments

5. Applicant's arguments with respect to claims 16-29, 31 and 32 have been considered, but are moot in view of the new ground(s) of rejection.

Conclusion

6. The following is prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

Farr (US 7,257,555 B1) teaches a method and system for providing and/or offering mandatory convertible securities, such as dividend enhanced common/convertible stocks (DECS), with acceleration triggers for securities conversion.

King (US 6,148,293) teaches an operatively interconnected data processing and computing system for creating, servicing and paying loan agreements between a lender and borrower providing for repayment of the loan together with interest at a periodically adjusted rate based on the terms of the agreement.

Burton (US 2002/0052819 A1) teaches financial instruments and methods for generating or issuing them. A company replaces some of its held or recuperated

Art Unit: 3696

conventional stock with synthetic capital stock, or equity stock which has no dividend or franking credit.

Chusid (US 5,870,720) teaches a method for restructuring an excessive underlying mortgage in excess of its current market value so that the value of the restructured underlying mortgage and the property to which it attaches exceeds the values prior to the restructuring. The method determines an existing underlying mortgage utilizing parameters which include a principal amount, a maturity date, an interest rate and payment periods.

7. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office Action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Art Unit: 3696

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Gerald C. Vizvary whose telephone number is 571-270-3268. The examiner can normally be reached on Monday thru Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Ella Colbert can be reached on 571-272-6741. The fax phone number for the organization where this application or proceeding is assigned is 571-270-4268.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/THOMAS A DIXON/
Supervisory Patent Examiner, Art Unit 3696

Gerald Vizvary
Patent Examiner, A.U. 3696
June 6, 2009